

BOND DEVELOPMENT



Presentation by:
Neighborhood Housing and Community Development

NHCD Mission and Goals



The mission of the City of Austin's **Neighborhood Housing and Community Development (NHCD)** is to provide housing, community development, and small business development services to benefit eligible residents so they can have access to livable neighborhoods and increase their opportunities for self sufficiency.

Overview of NHCD



Programs & Activities:

- ❧ Homeless/Special Needs Assistance
- ❧ Renter Assistance
- ❧ Homebuyer Assistance
- ❧ Homeowner Assistance
- ❧ Housing Developer Assistance
- ❧ Commercial Revitalization
- ❧ Small Business Assistance

CIP Program Overview



- ❧ NHCD's program provides funding to implement the City's affordable housing policies and programs to address housing affordability for Austin's low and moderate income citizens.
- ❧ As of February 2012, \$49M of the \$55M General Obligation Bonds has been allocated for Affordable Housing Bond Program.
- ❧ Recommendations for FY12 projects set for March and August 2012.



HOUSING AFFORDABILITY (\$75M)

Program Description



The Department is seeking additional funding to address housing needs in Austin and help facilitate NHCD's mission.

General Obligation (G.O.) Bonds approved by Austin voters in 2006 provided \$55 million in funding "...for the public purposes of constructing, renovating, improving, and equipping affordable housing facilities for low income persons and families, and acquiring land and interests in land and property necessary to do so, and funding affordable housing programs."

Program Development Process



- ❧ Program guidelines incorporate feedback from community stakeholders and Community Development Commission
- ❧ Attorney General approval of Program Guidelines (2006 GO Bond Program Guidelines required AG approval)
- ❧ Annual Stakeholder meetings to refine program process

Support for key functions



The structure of NHCD's CIP activities supports the following key functions:

- ❧ Rental Housing
- ❧ Transitional/Supportive Housing
- ❧ Homeownership
- ❧ Home Repair

Rental Housing



- ❧ Proposed rental housing projects can include permanent housing with supportive services, special needs housing, acquisition, development, construction or rehabilitation of affordable rental properties.
- ❧ Rental projects that receive G.O. Bond funds serve households earning incomes at or below 50 percent Median Family Income (MFI) with a goal of assisting households at or below 30 percent MFI and below.
- ❧ Rental projects must remain affordable for no less than 40 years.
- ❧ A number of rental projects are committed to 99-year affordability periods.

Transitional/Supportive housing



This type of housing offers services to populations with special needs in order to help them stabilize and work toward self-sufficiency. The length of stay is typically limited to 24 months.

Homeownership



Homeownership projects can include land acquisition, infrastructure development, new construction, rehabilitation, and acquisition of completed homes.

Homeownership projects that receive G. O. Bonds serve households with earning incomes at or below 80 percent MFI with a goal of serving households between 50 and 65 percent MFI.

Home Repair



The G.O. Repair! program provides funding to local non-profits to address substandard housing conditions for low- and moderate-income homeowners, thus maintaining affordable housing stock. The Architectural Barrier Removal for Rental Housing program assists disabled renters, with landlord consent, with accessibility modifications to their residences to make them more livable.

Typical modifications include widened doors, wheelchair ramps, improved accessibility in bathrooms, and installation of grab bars and hand rails.

Populations Served



Rental Housing

❧	Very-low Income Individuals/Families	\$17.6 million	677 units
❧	Workforce/Family Housing	\$11.2 million	529 units
❧	Persons with Mental Disabilities	\$ 3.3 million	61 units
❧	Seniors	\$ 3.0 million	108 units
❧	Children	\$ 1.9 million	42 units
❧	Persons with Mobility Disabilities	<u>\$ 0.5 million</u>	<u>45 units</u>
		\$37.5 million	1,462 units

Homeownership Housing

❧	Home Repairs for Low-Income Owners	\$ 4.3 million	592 units
❧	New Homebuyers	<u>\$ 7.2 million</u>	<u>188 units</u>
		\$11.5 million	780 units

Total

	\$49.0 million	2,242 units
--	----------------	-------------

Key Drivers



- ❧ 20 percent poverty rate in Austin (\$22,350 for a family of four)
- ❧ 38 percent of Travis County's population is cost burdened (households spending more than 30 percent of their income on housing)
- ❧ In any given night, about 2,327 people are living on the streets or on shelters.
- ❧ ~40,000 units of rental housing for extremely low income households
- ❧ Ownership opportunities with price points ranging from \$113,000 to \$240,000
- ❧ ~2,000 units of permanent supportive housing (housing for very low income persons linked to support services)

Source: 2010 American Community Survey;
2011 HUD Point in Time Count;
Community Action Network (2010)

Source: Austin Comprehensive Housing Market
Study (2009); Permanent Supportive
Housing Program and Financial Model
for Austin/Travis County, Texas (2010)

Applicable Guiding Principles

New Initiatives.



- ❧ Invests in mixed-use developments and other housing affordability projects that have a transformative impact on the community

Mobility.

- ❧ Supports mobility initiatives by providing capital investment in housing near transit systems

Sustainability.

- ❧ Supports mixed-use developments and other housing affordability projects that have a transformative impact on the community.

Applicable Guiding Principles



Cost-Effectiveness.

- ❧ Leverages additional private and public financing opportunities (2006 bond program has leveraged \$177,516,139)
- ❧ Assists in creating/retaining jobs, which positively impacts the local economy (2006 bond program has created/retained 1,496 jobs locally)
- ❧ Allows for increases in City revenues by adding to the City's property tax base

Housing Affordability Summary



- ❧ Increase in the City's ability to further housing affordability by providing funding for affordable housing programs (ownership, rental)
- ❧ Housing affordability to a variety of populations
- ❧ Units funded with G.O. bonds have leveraged a total of \$177,516,139 in additional private and public financing
- ❧ Created and/or retained an estimated 1,496 jobs in the local economy



COLONY PARK
STREET & UTILITY INFRASTRUCTURE
(\$1.5 Million)

Colony Park

Project Description



The department is seeking funding (\$1.5M) for the Colony Park Street and Utility Infrastructure to construct the major road and install necessary infrastructure that will expedite the development of the commercial sites and will facilitate the development of housing.

- ❧ Funding will allow for construction of a new roadway from Loyola Lane entrance into the development.
- ❧ Construction would include major utilities and telecommunication infrastructure to support the development of the site.

Project Background



- ❧ Austin City Council Resolution No. 010524-17 authorized the purchase of the property (2001).
- ❧ This project has received a \$3 million dollar grant for the planning and design of a mixed-use, mixed-income sustainable development. Implementation of a master plan will allow us to leverage private dollars for the actual construction of the commercial and residential development.
- ❧ Installation of the major roadway and infrastructure will expedite commercial development – an economic catalyst for housing development opportunities.

Colony Park History



- ❧ 1973: Area annexed by the City of Austin
- ❧ 2001: Austin City Council purchases 258 acres of land near Loyola Lane and Colony Loop Rd; 50 acres for dedicated parkland (Overton Elem., Turner-Roberts Recreation Center); 208 acres transferred to the Austin Housing Finance Corporation.

History Continued



- ❧ 2004 - 2011: City conducts improvements on Loyola Lane; constructs Turner-Roberts Recreation Center. AISD constructs Overton Elementary.
- ❧ 2007-2011: Austin Housing Finance Corporation conducted feasibility analysis and preliminary scenarios on development at Colony Park
- ❧ 2011: City of Austin awarded the Challenge Grant from HUD for planning and design of the development

Overall Project Vision



- ❧ Mixed-Income, Mixed-Use, Location-Efficient
- ❧ Diverse Housing products
 - ❧ Single-family – estimated range: 400-600 units
 - ❧ Multi-family – could accommodate up to two developments
- ❧ Commercial – retail or civic anchors, small businesses
- ❧ Open Space & Trail Network
- ❧ Potential public facilities

Key Drivers



- ❧ Be responsive to underserved communities. The development will support job creation and small business growth in a mixed-use community that will bring amenities to a historically under-represented community in the East Austin region.
- ❧ Promote racially, ethnically, and socio-economically diverse community.
- ❧ Based on American Community Survey 2005-2009 estimates, the median income of the area is \$38,000, which is much lower than the City of Austin as a whole, which has a median income of approximately \$63,000.

Applicable Guiding Principles

Sustainability.



- ❧ 208-acre development that will incorporate best practice strategies for energy-efficient building design, water conservation and zero waste technology and standards to create a model sustainable and livable mixed-use, mixed-income community.
- ❧ The Colony Park Sustainable Community Pilot project will also provide a platform for collaboration between City of Austin and other local entities with national reputations for excellence in sustainable initiatives, including the Office of Sustainability, Austin Energy Green Building Program, the Solid Waste Services Department, the Austin Water Utility, and the Pecan Street Project.
- ❧ This collaborative will create a replicable model for communities across the country.

Applicable Guiding Principles



Mobility.

- ❧ Capital Metro provides fixed route transit service to the Colony Park.
- ❧ Capital Metro currently owns an existing rail line near the Colony Park development which is planned for future commuter rail service between the City of Elgin and downtown Austin (the Green Line). The Colony Park Project is located less than 1 mile from land that has been purchased by Capital Metro with the intent of creating a future Green Line station, which will create an opportunity for a transit-oriented development connected to the Austin's Central Business District and access to retail and other services without the need to drive.
- ❧ The proposed development will also link the adjoining neighborhoods by providing connectivity for the existing transit route. Colony Park will also includes an extensive trail and sidewalk system throughout linking homes with schools, parks, recreation, services and future employment centers.

Applicable Guiding Principles



❧ **Cost Effectiveness.**

The project is leveraging external funds through HUD's award of the \$3M Challenge Grant.

❧ **New Initiatives.**

The grant will explore numerous new initiatives including partnerships with the City's Health and Human Services Department to assist in expanding social services to area residents.



QUESTIONS